

## **Methuen Would Pay \$250K in Sexual Harassment Settlement**

METHUEN — City Councilors will meet tomorrow night to discuss a \$250,000 taxpayer-funded settlement with former City Hall secretary Fulya Metin Capanelli for sexual harassment.

A trial in Lawrence Superior Court was supposed to start yesterday. Instead, attorneys hammered out settlement agreements for both the city and Maurice Lariviere, the former city solicitor and Capanelli's boss.

The city has already spent \$364,461 to defend itself against legal claims made separately by Capanelli and Lariviere, according to city documents.

An estimated \$125,000 more was budgeted by Methuen to pay a Boston law firm had Capanelli's case gone to trial.

Councilors still must approve the \$250,000 settlement.

Six attorneys involved in the case, citing confidentiality agreements, would not comment on the matter. Lariviere reached a separate, undisclosed settlement with Capanelli.

In February 2005, after she complained to police, detectives captured Lariviere on videotape kissing and making advances toward Capanelli in his City Hall office. Lariviere said previously his relationship with Capanelli was consensual.

"I think he is somewhat relieved," said Anthony DiFruscia, Lariviere's attorney. "Going through a trial for two or three weeks would have caused a lot of difficulty for his family."

"The matter is resolved. ... A lot of innocent people were involved in this," Lariviere said.

Capanelli and her husband, Anthony, who filed the sexual harassment case in 2007, were represented by Haverhill attorney Marsha Kazarosian. The couple now lives in Hauppauge, N.Y. Fulya Capanelli filed for bankruptcy on June 6, according to court records.

The police-made surveillance tape of Lariviere and Capanelli may be viewed by councilors tomorrow night, said Jack Cronin, City Council chairman.

City Solicitor Peter McQuillan has recommended that the council hold the meeting behind closed doors.

Superior Court Judge Thomas Murtagh, in court yesterday morning, approved the resolution of the case. All parties involved have 30 days to file any paperwork. The case will then be dismissed.

Neither Lariviere nor Capanelli was in court yesterday.

"Hopefully, I will not see you again in connection with this case," Murtagh told the attorneys.

Kenneth Mickiewicz and Laurie Alexander-Krom of the Boston firm Davis, Malm & D'Agostine represented the city. McQuillan and attorney Janet Dutcher, who works with Kazarosian, were also present.

The suit by Capanelli and her husband said city officials were negligent in dealing with her claims of sexual harassment against Lariviere in 2005. They sought unspecified damages and attorneys' fees.

When the sexual harassment allegedly occurred at City Hall, the couple was engaged, and Anthony Capanelli was incarcerated in federal prison for conspiracy to commit armed robbery.

Lariviere resigned Feb. 16, 2005, after police confronted him with the surveillance tape showing him kissing and making sexual advances toward Capanelli. Police set up a secret camera in Lariviere's office after Capanelli complained to police.

Two undercover officers were in a nearby men's bathroom, and police Chief Joseph Solomon and Deputy Chief Joseph Alaimo were waiting in the mayor's office as videotape rolled in the solicitor's office. After seeing Lariviere make several advances toward Capanelli, police stepped in.

Capanelli was fired by the city when she failed to return from 14 weeks of leave.

Lariviere later filed suit in federal court, saying Solomon and Alaimo forced him to resign and attempted to get back his \$96,000-per-year job. In January 2008, a federal jury, which was shown the police surveillance tape, decided the officers did not coerce Lariviere.

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